

**GOVERNOR'S WORKFORCE INVESTMENT BOARD
EXECUTIVE COMMITTEE CONFERENCE CALL**

**Walt Sullivan Building, Department of Labor & Industry
Helena, Montana
December 21, 2004**

MINUTES

EXECUTIVE COMMITTEE MEMBERS PRESENT: Chair Haley Beaudry, Ellen Engstedt, Dick Brown, Jerry Driscoll, and Gary Willis.

COMMITTEE MEMBERS PRESENT VIA CONFERENCE CALL: Carol Brooker, Diane Harkins, and Arlene Parisot.

COMMITTEE MEMBERS ABSENT: Leroy Bingham, Lew Grill, Wendy Keating, Chuck Olson, and Ken Switzer.

STAFF: Pam Watson

GUESTS: Jay Reardon, Gary Warren, Gary Wright, Sue Mohr, Leslie Duffy, Raini Williams, Deb Buxbaum, Kate Kahle, Jeff Rupp.

I. Call to Order

Chairman Haley Beaudry called the meeting to order at 3:00 p.m.

II. Welcome and Introductions

Chairman Beaudry welcomed committee members and guests, and asked for roll call. It was noted that there were two people taking meeting minutes, and the meeting was being recorded. Tapes are used for the purpose of writing the minutes, and will not to be used as the official minutes of the meetings themselves.

III. Approval of Agenda

Chairman Beaudry indicated the first item of business was the Approval of the Agenda. The agenda met the approval of all present.

IV. Approve Transition Report to Governor Martz

Chairman Beaudry stated that there was only one specific comment submitted on the report during the comment period, which was open until 2:00 p.m., December 20, 2004. The comment came from Jerry Driscoll, and the report was updated accordingly. Pam Watson said she distributed the final draft of the report late afternoon on December 20, 2004, and indicated that everyone should have received the final draft.

Chairman Beaudry asked if committee members had any other discussion. Jerry Driscoll had comments in regard to the final draft on the second paragraph of page 35, second to the last sentence which states: "This transfer prevented nearly 100 participants from having to terminate their training at mid-point.". He would like to change that to read that state government participants were prevented from having to terminate service, and rewrite the second part of the sentence to state that MJTP's participants will be terminated. Chairman Beaudry asked who were the participants that would have to be terminated, as it was his understanding this shift of funds

was made so that no one would go without services. Mr. Driscoll stated that the participants were the ones under the grant that were contracted under the county commissioners' discretion. Mr. Beaudry disagreed anyone would be terminated, at which time Mr. Driscoll stated if more money was not received, that is what would occur.

Chairman Beaudry asked Suzanne Payton, Program Manager under the Workforce Services Division, Montana Department of Labor, to address this issue as she works with the grant applications. Ms. Payton stated that a second increment of funding was applied for, and that there was a 30-day turnaround time for a response from the US Department of Labor (USDOL). It is close to the 30 days, and she anticipated a response soon. She also stated that the state fully expects to receive the incremental funding. Ms. Payton stated she would follow up with the USDOL to determine the status of the incremental funding request.

Chairman Beaudry stated that the additional money is not related to the transfer. The shifting of funds was based upon where the program participants were electing to receive services, so it comes down to a certain amount of money per participant. Jerry Driscoll disagreed. He stated that the wording should indicate that if the USDOL does not provide additional money, MJTP's participants would have to be terminated.

Gary Wright, Montana Department of Labor and Industry, stated that about two years ago the USDOL put Montana on incremental funding. The process is such that the state is awarded a portion of the successful grant money up front. When the spending level of 80 percent is reached on the initial award, the incremental funding is requested. To date, Montana has always received the requested incremental funding, so this funding is expected to be approved as well. The USDOL has the same goals with this program as the state, and it is not in anyone's best interest to be unable to serve the applicants in this program. Chairman Beaudry asked if the incremental funding request always kicks in at 80 percent. Mr. Wright stated that it started at 80 percent and is currently in the process of being changed to 70 percent.

Dick Brown suggested that if anything should be stated, it should simply state that the additional grant has been requested. Chairman Beaudry requested that Suzanne Payton provide the date of the application for the funding, which will be included in the Transition report and the section updated.

Pam Watson acknowledged that a final sentence would be added to the 2nd paragraph on page 35 with respect to the application of the incremental funding. Chairmen Beaudry suggested that a statement should be added to indicate that the state has never been denied the subsequent application in the incremental funding program. Ms. Watson stated that the wording would be added.

Dick Brown wanted to have a discussion in regards to the report under the section titled Options Available to the Governor. Mr. Brown suggested that option number 6, which stated the Governor could refuse all federal funding, be removed. Jerry Driscoll stated that in the previous meeting the option was not in the report, and that it was added because it is an option for the Governor. Mr. Driscoll also stated that the original five options listed are in favor of the state government, and none of them were in favor of the county government. Dick Brown said he understood Mr. Driscoll's position, however felt that the options listed should be credible, and for the Governor to refuse all funding would leave the local governments with no workforce dollars at all. Therefore, he suggested removing option number six. Jerry Driscoll said that was fine, and Chairman Beaudry stated that option number six would be deleted. Mr. Driscoll stated that it would be put in their report.

Ellen Engstedt asked if it was Lew Grill who suggested the Skills Shortage. Pam Watson replied that it was Lew Grill, and she has not heard a comment from Mr. Grill in regards to the short summary of the skills shortage that was added to the on-going issues section of the report.

Chairman Beaudry stated that the Executive Committee received a memorandum from Mineral County Commissioner Judy Stang, who asked that the memo be presented for public comment during the meeting. Pam

Watson stated that the memorandum was received via e-mail late afternoon December 20th, and sent to the committee via email on December 21, 2004. All committee members acknowledged having received a copy of the memorandum. Chairman Beaudry addressed the first paragraph in which Commissioner Stang stated that the committee did not ask for public comment on the Transition Report Agenda item during the meeting on December 16, 2004. Chairman Beaudry stated that public comment was called for, and that the meeting tapes verified that he as Chair did ask for public comment. The tape recording indicated that no one responded to the call for public comment, so Jerry Driscoll made the motion to adjourn.

Chairman Beaudry also indicated that the memorandum from Commissioner Stang said that she wants to see this whole situation fixed, and would support any facilitation that needs to be done. Carol Brooker stated that the local board has made that commitment as well, and that all involved should move forward with the facilitation.

Dick Brown asked Chairman Beaudry to respond to Commissioner Stang's memo. Chairman Beaudry agreed to respond to Commissioner Stang.

Chairman Beaudry then asked for public comment. Sue Mohr, Executive Director of Montana Job Training Partnership (MJTP) stated that their office had not made much comment in regards to the report, but would like to address matters now. She stated that the Transition Report should reflect the history of the Board. Ms. Mohr commended Chairman Beaudry and the committee for their hard work, but indicated that there was no mention in the report of the organizational work of Desiree Taggart. Ms. Mohr also said she felt a lot of information was missing from the report, and she did not know where to start.

Sue Mohr also noted that the work that was done to develop One-Stop Centers in the last four years is not mentioned. Great things were accomplished under that old system, but stated she felt that there was an interest in not putting this in the report because it would steal the thunder of the local boards. It was her opinion that this could imply that the State Board does not take ownership, or any role for itself in this important work in Montana. This is what needs to be looked at in the future in terms of supporting it. Sue Mohr stated that this report seems to be one-sided, biased, and punitive; and that it sets an incorrect tone in terms of how we want to move forward.

Sue Mohr stated that she could write a lot more regarding the skills shortage issue, and mentioned Republican Senator Enzi of Wyoming and Senator Baucus were working together on this nationally. She stated that Montana should take the incentive funds, or the governor's funds, and look at modeling that same concept. Chairman Beaudry thanked Ms. Mohr for her comments, and asked if there were any questions for Ms. Mohr, of which there were none.

Chairman Beaudry asked if there was any further public comment, of which there was none. He then thanked everyone for their efforts in completing this very time consuming project.

Chairman Beaudry reiterated what was discussed for change in the report by the committee, and also wanted the title sheet changed to be submitted to Governor Martz and Governor-Elect Schweitzer. He stated that full reports would be printed for Governor Martz and Governor-elect Schweitzer, and the document would be published on the SWIB website. Pam Watson can be contacted to request a hard copy if anyone would like one.

Dick Brown made the motion to accept the Transition Report to Governor Martz and Governor-Elect Schweitzer as amended. Diane Harkins second the motion. Chairman Beaudry asked if there was any more discussion, of which there was none. All in favor agreed. Carol Brooker opposed. There were no abstentions. The motion passed.

Gary Willis asked when the minutes of the meetings on December 1st and 16th would be available, and Pam Watson stated that the minutes would be available as soon as she can complete and distribute them to the committee for review. The Transition Report has been the priority, so the minutes have not been completed.

V. Adjourn

Hearing no further comment, Chairman Beaudry wished everyone a very happy holiday, and adjourned the meeting at 3:35 p.m.

Haley Beaudry, Chairman

Date